To the Members of the California State Assembly:

I am returning Assembly Bill 1186 without my signature.

This bill requires the lessor of a nonresidential building located within a nonattainment area to itemize parking costs in all lease agreements entered into or renewed after January 1, 2011 if the tenants of the building are provided free parking.

I recognize that the current cash-out parking program faces many implementation challenges and many have called for various modifications to improve this program. For this reason, I have signed SB 728 (Lowenthal) which would clarify that either the California Air Resources Board or a local air district may enforce the existing parking cash-out law.

With respect to this bill, although well-intended, I am concerned about placing an additional burden on commercial property owners at this time. It is my hope that better enforcement will shed more light on the challenges and effectiveness of this program.

For these reasons, I am unable to sign this bill.

Sincerely,

Arnold Schwarzenegger